

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2005
FOR
MARSHALL ROEBUCK LIMITED**



MARSHALL ROEBUCK LIMITED

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FOR THE YEAR ENDED 31ST DECEMBER 2005**

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MARSHALL ROEBUCK LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31ST DECEMBER 2005**

DIRECTORS:

Mr B.J. Roff
Mrs G. Roff
Miss Z.A. Martin
Mr. I.J. Robbins
Mr. S.J. Roff
Miss A Roff

SECRETARY:

Mr A Howe

REGISTERED OFFICE:

Newbury Motor Park
The Triangle
Newbury
Berkshire
RG14 7HT

REGISTERED NUMBER: 3191922

AUDITOR:

Philip Deane F.C.C.A.
Christmas Cottage
Silver Street North
Chacombe
Northamptonshire
OX17 2JS

ACCOUNTANTS:

Philip Deane Accountancy Limited
2 The Pound
Cholsey
Wallingford
Oxfordshire
OX10 9NS

MARSHALL ROEBUCK LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER 2005

The directors present their report with the financial statements of the company for the year ended 31st December 2005.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of a franchised motor dealership. This includes the selling of new and used vehicles and servicing of vehicles.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

The total market volume (TIV) for 2005 was down again year on year by 5%. Even more importantly Peugeot sales lost market share nationally down some 14% in that lower market. The lack of a complete and comprehensive model range coupled with aggressive marketing from the competitors in other franchises resulted in a degree of distressed selling throughout the year.

All in all it proved a difficult year. We sold more new cars retail but less corporate and used. Businesses generally were holding back and Peugeot's efforts to stimulate the retail market by introducing various special offers to counter the other manufacturers helped sales, but in so doing reduced our trading margins.

Loss of two experienced productive staff plus the Parts Manager to other dealers affected both turnover and gross profit before we were able to recruit replacements.

We made other staff savings in other areas during the year which will benefit 2006.

These coupled with continued steady growth from service and parts through 2005 encourage us to plan and expect a return to profit from in 2006.

DIVIDENDS

No dividends will be distributed for the year ended 31st December 2005.

MARSHALL ROEBUCK LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER 2005

DIRECTORS

The directors during the year under review were:

Mr B.J. Roff
Mrs G. Roff
Miss Z.A. Martin
Mr. I.J. Robbins
Mr. S.J. Roff
Miss A Roff

- appointed 1.5.05

The beneficial interests of the directors holding office on 31st December 2005 in the issued share capital of the company were as follows:

	31.12.05	1.1.05 or date of appointment if later
Ordinary £1 shares		
Mr B.J. Roff	39,750	40,000
Mrs G. Roff	-	-
Miss Z.A. Martin	5,000	5,000
Mr. I.J. Robbins	5,000	5,000
Mr. S.J. Roff	-	-
Miss A Roff	-	-

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

MARSHALL ROEBUCK LIMITED

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST DECEMBER 2005**


STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditor is unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

AUDITOR

The auditor, Philip Deane F.C.C.A., will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:


.....
Mr B.J. Roff, Director

Date: 19th May 2006

REPORT OF THE INDEPENDENT AUDITOR TO THE SHAREHOLDERS OF MARSHALL ROEBUCK LIMITED

I have audited the financial statements of Marshall Roebuck Limited for the year ended 31st December 2005 on pages seven to eighteen. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. My audit work has been undertaken so that I might state to the company's members those matters I am required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's members as a body, for my audit work, for this report, or for the opinions I have formed.

Respective responsibilities of directors and auditor

As described on page three the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. I also report to you if, in my opinion, the Report of the Directors is not consistent with the financial statements, if the company has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

I read the Report of the Directors and consider the implications for my report if I become aware of any apparent misstatements within it.

Basis of audit opinion

I conducted my audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

**REPORT OF THE INDEPENDENT AUDITOR TO THE SHAREHOLDERS OF
MARSHALL ROEBUCK LIMITED**

Opinion

In my opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31st December 2005 and of its loss for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.

Philip Deane

Philip Deane F.C.C.A.
Christmas Cottage
Silver Street North
Chacombe
Northamptonshire
OX17 2JS

Date: *19th May 2006*

MARSHALL ROEBUCK LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2005**

		31.12.05	31.12.04
	Notes	£	£
TURNOVER		9,166,883	16,864,446
Cost of sales		(9,228,056)	(16,734,098)
GROSS (LOSS)/PROFIT		(61,173)	130,348
Administrative expenses		(568,500)	(592,533)
		(629,673)	(462,185)
Other operating income		556,546	502,715
OPERATING (LOSS)/PROFIT	3	(73,127)	40,530
Interest receivable and similar income		1,440	4,791
		(71,687)	45,321
Interest payable and similar charges	4	(42,260)	(35,694)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(113,947)	9,627
Tax on (loss)/profit on ordinary activities	5	17,847	(9,245)
(LOSS)/PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		(96,100)	382
Retained profit brought forward		414,682	414,300
RETAINED PROFIT CARRIED FORWARD		£318,582	£414,682

The notes form part of these financial statements

MARSHALL ROEBUCK LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2005**

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the loss for the current year and the profit for the previous year.

MARSHALL ROEBUCK LIMITED

BALANCE SHEET 31ST DECEMBER 2005

		31.12.05	31.12.04
	Notes	£	£
FIXED ASSETS:			
Intangible assets	6	120,000	135,000
Tangible assets	7	87,154	101,882
Investments	8	12,150	12,150
		<u>219,304</u>	<u>249,032</u>
CURRENT ASSETS:			
Stocks	9	650,741	776,393
Debtors	10	693,975	579,745
Cash at bank and in hand		650	289,001
		<u>1,345,366</u>	<u>1,645,139</u>
CREDITORS: Amounts falling due within one year	11	<u>(1,155,224)</u>	<u>(1,324,653)</u>
NET CURRENT ASSETS:		<u>190,142</u>	<u>320,486</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:		<u>409,446</u>	<u>569,518</u>
CREDITORS: Amounts falling due after more than one year	12	(34,317)	(95,305)
PROVISIONS FOR LIABILITIES AND CHARGES:	16	(6,547)	(9,531)
		<u><u>£368,582</u></u>	<u><u>£464,682</u></u>

The notes form part of these financial statements

MARSHALL ROEBUCK LIMITED


BALANCE SHEET

31ST DECEMBER 2005

		<u>31.12.05</u>	<u>31.12.04</u>
	Notes	£	£
CAPITAL AND RESERVES:			
Called up share capital	17	50,000	50,000
Profit and loss account		318,582	414,682
SHAREHOLDERS' FUNDS:	20	<u>£368,582</u>	<u>£464,682</u>

ON BEHALF OF THE BOARD:


.....
Mr B.J. Roff - Director


.....
- Director Z. MARTIN

Approved by the Board on 19th May 2006

The notes form part of these financial statements

MARSHALL ROEBUCK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2005

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business is being written off evenly over its estimated useful life of 10 years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Service and parts equipment	- 10% on cost
Motor vehicles	- at varying rates on cost
Office and computer equipment	- 20% on cost

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

2. STAFF COSTS

	31.12.05	31.12.04
	£	£
Wages and salaries	568,515	1,247,110
Social security costs	78,406	160,693
Other pension costs	18,826	18,826
	<u>665,747</u>	<u>1,426,629</u>

MARSHALL ROEBUCK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2005

2. STAFF COSTS - continued

The average monthly number of employees during the year was as follows:

	31.12.05	31.12.04
Management and administration	6	6
Sales and distribution	11	12
Production	16	20
	—	—
	33	38
	==	==

3. OPERATING (LOSS)/PROFIT

The operating loss (2004 - operating profit) is stated after charging/(crediting):

	31.12.05	31.12.04
	£	£
Depreciation - owned assets	17,036	21,842
Profit on disposal of fixed assets	(1,813)	(450,753)
Goodwill written off	15,000	15,000
Auditor's remuneration	5,000	4,500
	=====	=====
Directors' emoluments	135,431	324,644
	=====	=====

4. INTEREST PAYABLE AND SIMILAR CHARGES

	31.12.05	31.12.04
	£	£
Bank interest	4,911	4,423
Other interest	37,349	31,271
	=====	=====
	42,260	35,694
	=====	=====

MARSHALL ROEBUCK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2005

5. TAXATION

Analysis of the tax (credit)/charge

The tax (credit)/charge on the loss on ordinary activities for the year was as follows:

	31.12.05	31.12.04
	£	£
Current tax:		
UK corporation tax	-	14,863
Tax refund due	(14,863)	-
Total current tax	(14,863)	14,863
Deferred taxation	(2,984)	(5,618)
Tax on (loss)/profit on ordinary activities	(17,847)	9,245

UK corporation tax was charged at 19% in 2004.

6. INTANGIBLE FIXED ASSETS

	Goodwill
	£
COST:	
At 1st January 2005 and 31st December 2005	225,000
AMORTISATION:	
At 1st January 2005	90,000
Charge for year	15,000
At 31st December 2005	105,000
NET BOOK VALUE:	
At 31st December 2005	120,000
At 31st December 2004	135,000

MARSHALL ROEBUCK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2005

7. TANGIBLE FIXED ASSETS

	Improvements to property	Service and parts equipment	Motor vehicles	Office and computer equipment	Totals
	£	£	£	£	£
COST:					
At 1st January 2005	3,338	107,186	21,278	16,305	148,107
Additions	-	9,521	-	2,038	11,559
Disposals	-	-	(20,078)	-	(20,078)
At 31st December 2005	3,338	116,707	1,200	18,343	139,588
DEPRECIATION:					
At 1st January 2005	926	27,416	12,026	5,857	46,225
Charge for year	334	13,286	-	3,416	17,036
Eliminated on disposals	-	-	(10,827)	-	(10,827)
At 31st December 2005	1,260	40,702	1,199	9,273	52,434
NET BOOK VALUE:					
At 31st December 2005	2,078	76,005	1	9,070	87,154
At 31st December 2004	2,412	79,770	9,252	10,448	101,882

8. FIXED ASSET INVESTMENTS

		£
COST:		
At 1st January 2005		
and 31st December 2005		<u>12,150</u>
NET BOOK VALUE:		
At 31st December 2005		<u><u>12,150</u></u>
At 31st December 2004		<u><u>12,150</u></u>
	31.12.05	31.12.04
	£	£
Unlisted investments	<u>12,150</u>	<u>12,150</u>

MARSHALL ROEBUCK LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2005****9. STOCKS**

	31.12.05	31.12.04
	£	£
Finished goods	<u>650,741</u>	<u>776,393</u>

Used vehicle stock is written down to the value shown within Glasses Guide at the end of each month.

Demonstration stock is written down by 2% - 3.33% at the end of each month.

Rental vehicle stock is written down by 3% - 5% at the end of each month.

Parts stock over one year old at the balance sheet date is written down by 25%. A further 25% of the original cost is written off for each additional year it is not sold.

**10. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.12.05	31.12.04
	£	£
Trade debtors	211,472	164,313
Other debtors	438,557	390,462
Prepayments & accrued income	43,946	24,970
	<u>693,975</u>	<u>579,745</u>

**11. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.12.05	31.12.04
	£	£
Bank loans and overdrafts (see note 13)	232,983	60,000
Trade creditors	525,575	619,549
Directors current accounts	210,014	183,793
Other creditors	134,971	258,616
Social security & other taxes	28,719	27,021
Taxation	-	14,863
Accrued expenses	22,962	160,811
	<u>1,155,224</u>	<u>1,324,653</u>

MARSHALL ROEBUCK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2005

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.05 £	31.12.04 £
Bank loans (see note 13)	<u>34,317</u>	<u>95,305</u>

13. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	31.12.05 £	31.12.04 £
Amounts falling due within one year or on demand:		
Bank overdrafts	172,983	-
Bank loans	<u>60,000</u>	<u>60,000</u>
	<u>232,983</u>	<u>60,000</u>

Amounts falling due between two and five years:

Bank loans	<u>34,317</u>	<u>95,305</u>
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14. OPERATING LEASE COMMITMENTS

The following payments are committed to be paid within one year:

Operating leases			
	Land and buildings		Other
	31.12.05 £	31.12.04 £	31.12.05 £
Expiring:			
Within one year	-	-	16,884
Between one and five years	-	-	12,913
In more than five years	<u>150,000</u>	<u>150,000</u>	-
	<u>150,000</u>	<u>150,000</u>	<u>29,797</u>
			<u>19,657</u>

MARSHALL ROEBUCK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2005

15. SECURED DEBTS

The company's wholesaler has the following security:-

- a floating charge over the undertaking and all its property and assets, both present and future;
- a floating charge over all stocks of used motor vehicles both present and future, and
- a fixed charge over the benefit of all present and future insurance policies.

The bank has a mortgage debenture dated 8th May 2002. The debenture is unlimited and covers all assets of the company.

16. PROVISIONS FOR LIABILITIES

	31.12.05	31.12.04
	£	£
Deferred taxation	<u>6,547</u>	<u>9,531</u>
	Deferred	
	tax	
	£	
Balance at 1st January 2005	9,531	
Decreased potential liability	<u>(2,984)</u>	
Balance at 31st December 2005	<u>6,547</u>	

17. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	31.12.05	31.12.04
			£	£
250,000	Ordinary	£1	<u>250,000</u>	<u>250,000</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.12.05	31.12.04
			£	£
50,000	Ordinary	£1	<u>50,000</u>	<u>50,000</u>

18. CONTINGENT LIABILITIES

There were contingent liabilities at the year end in respect of guarantees and warranties given in the normal course of trade.

MARSHALL ROEBUCK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2005

19. RELATED PARTY DISCLOSURES

Mr. B.J. Roff, Mr S.J. Roff, Mrs. G.J. Roff and Miss A Roff who are directors of the company, are also directors of Amstey Investments Limited, a company registered within the United Kingdom.

During the year the company paid rent to Amstey Investments Limited totalling £150,000 (2004: £150,000). No rent was owing to Amstey Investments at the year end (2004: £NIL).

20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31.12.05	31.12.04
	£	£
(Loss)/Profit for the financial year	(96,100)	382
Net (reduction)/addition to shareholders' funds	(96,100)	382
Opening shareholders' funds	464,682	464,300
Closing shareholders' funds	368,582	464,682
Equity interests	368,582	464,682